



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor
Ted Stewart
Executive Director
James W. Carter
Division Director

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May 28, 1997

Lynn M. Carlson and Company
Certified Public Accountants
175 South Main Street, Suite 250
Salt Lake City, Utah 84111

Re: Financial Statement Review, Utelite Corporation, Utelite Mine, M/043/004, Summit County, Utah

Dear Mr. Carlson:

Thank you for submitting Utelite Corporations's financial statement for the year ending December 31, 1996. As the Board of Oil, Gas and Mining ("Board") requires of all self bonding companies, this submittal was reviewed by the Division of Oil, Gas and Mining's Audit Manager. Upon completion of the review, we were advised that Utelite Corporation is still in very good standing and still meets the requirements to remain an agent unto themselves (self bonded) in operating the Utelite Mine.

Thank you for your continued cooperation in submitting these financial statements annually. Please be aware that we have moved from the Triad Center. We are now located at 1594 West North Temple, Suite 1210, Box 145801, Salt Lake City, Utah 84114-5801. Our phone numbers remain the same.

Sincerely,

D. Wayne Hedberg
Permit Supervisor
Minerals Regulatory Program

jb
cc: Carsten Mortensen, Utelite Corporation
M043004.ltr